

HOUSE BILL No. 1551

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-20.4.

Synopsis: Inventory tax credits. Provides a credit against a taxpayer's inventory tax liability. Provides that the credit is paid from the state general fund. Specifies that the credit is 25% of net inventory tax liability in 2002 and increases to 100% of net inventory tax liability in 2005 and thereafter.

Effective: July 1, 2001.

Dumézich

January 11, 2001, read first time and referred to Committee on Ways and Means.

C
o
p
y



First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

HOUSE BILL No. 1551

A BILL FOR AN ACT to amend the Indiana Code concerning taxation and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 6-1.1-20.4 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2001]:
4 **Chapter 20.4. Inventory Tax Credits**
5 **Sec. 1. As used in this chapter, "inventory" has the meaning set**
6 **forth in IC 6-1.1-3-11.**
7 **Sec. 2. As used in this chapter, "net property tax liability on**
8 **inventory" means the property taxes attributable to inventory that**
9 **are due and payable as shown on the property tax statement sent**
10 **to a taxpayer after all deductions and credits have been applied**
11 **under any other statute, including IC 6-1.1-20.5.**
12 **Sec. 3. (a) A taxpayer is entitled to a credit under this chapter**
13 **against the taxpayer's net property tax liability on inventory under**
14 **IC 6-1.1-2.**
15 **(b) The amount of the credit is equal to:**
16 **(1) the appropriate percentage specified in subsection (c);**
17 **multiplied by**



C
o
p
y

(2) the taxpayer's net property tax liability on inventory for the year.

(c) The percentage described in subsection (b)(1) is determined by the calendar year in which the property taxes on inventory are paid and is set forth in the following table:

CALENDAR YEAR IN WHICH INVENTORY TAXES ARE PAID	PERCENTAGE OF INVENTORY TAXES ALLOWED AS A CREDIT
2002	25%
2003	50%
2004	75%
2005 and thereafter	100%

Sec. 4. (a) The county assessor shall determine the amount of each property owner's assessed value that is attributable to inventory in the county. Before December 1 of each year, the county assessor shall provide the county auditor with the amount of inventory assessed value for each owner.

(b) The county auditor shall compute the amount of property taxes in the county that is attributable to inventory assessed value as reported by the county assessor using the same property tax liability that is used to calculate the property tax replacement credit under IC 6-1.1-21-5, after deducting the property tax replacement credit under IC 6-1.1-21 and the personal property tax credit under IC 6-1.1-20.5.

Sec. 5. A taxpayer desiring to claim the credit provided by this chapter must file a certified application, on forms prescribed by the state board of tax commissioners, with the auditor of each county in which the taxpayer's inventory was located on the assessment date.

Sec. 6. Before February 1 of each year, each county auditor shall certify to the state board of tax commissioners the amount of credits allowed under this chapter in the county for that calendar year. Except as otherwise provided in this chapter, the credits shall be determined in the same manner as property tax replacement credits are determined under IC 6-1.1-21, after deducting the property tax replacement credit under IC 6-1.1-21 and the personal property tax credit under IC 6-1.1-20.5.

Sec. 7. (a) Each year the auditor of state shall allocate from the state general fund an amount equal to the total amount of credits that are provided under this chapter for each county for that year in the same manner as the homestead credits are allocated from the property tax replacement fund under IC 6-1.1-21.



1 (b) The auditor of state shall distribute to each county treasurer
2 from the state general fund the estimated distribution for that year
3 for the county at the same time and in the same manner as the
4 homestead credit distributions are made under IC 6-1.1-21. The
5 money in the state general fund is appropriated to make the
6 distributions.

7 (c) All distributions provided in this section shall be made on
8 warrants issued by the auditor of state drawn on the treasurer of
9 state.

10 Sec. 8. To the extent it is consistent with this chapter,
11 IC 6-1.1-21 applies with respect to the credit under this chapter.

12 SECTION 2. [EFFECTIVE JULY 1, 2001] The credits provided
13 under IC 6-1.1-20.4, as added by this act, apply only to property
14 taxes first due and payable after December 31, 2001.

C
o
p
y

